

Regular Session, February 21, 2011, 7:00 p.m.
Catawba County Board of Commissioners

Closed Session

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The Catawba County Board of Commissioners met in regular session on Monday, February 21, 2011 at 7:00 p.m. in the Robert E. Hibbitts Meeting Room of the 1924 Courthouse, 30 North College Avenue, Newton, North Carolina.

Present were Chair Katherine W. Barnes and Commissioners Barbara G. Beatty and Randy Isenhower. Vice-Chair Lynn M. Lail and Commissioner Dan Hunsucker were absent.

Also present were County Manager J. Thomas Lundy, Assistant County Manager Dewey Harris, County Attorney Debra Bechtel, Deputy County Attorney Anne Marie Pease and County Clerk Barbara Morris. Assistant County Manager Lee Worsley was absent.

1. Chair Katherine W. Barnes called the meeting to order at 7:00 p.m. Chair Barnes noted that Vice-Chair Lynn M. Lail and Commissioner Dan Hunsucker were absent from this meeting due to medical reasons.
2. Chair Barnes led the Pledge of Allegiance to the Flag.
3. Commissioner Randy Isenhower offered the invocation.
4. Commissioner Barbara G. Beatty made a motion to approve the minutes of the Regular Meeting and Closed Session of February 7, 2011. The motion carried unanimously.

5. Recognition of Special Guests: Chair Barnes welcomed all present and specifically acknowledged Joie Fulbright from Conover City Council.
6. Public Comments for Items Not on the Agenda: None.
7. Public Hearing:
Finance Director Rodney Miller came forward and requested the Board hold a public hearing and approve financing for expansion projects at Webb A. Murray Elementary School and St. Stephens High School. In fiscal year 2007-08, the Board set aside two cents of the property tax rate for financing of school construction projects over a four-year period. Projects funded over the first three years of that cycle included a new Snow Creek Elementary School, additions to Bunker Hill, Bandys, Fred T. Foard, Hickory and Newton-Conover High Schools, and improvements and additions at Catawba Valley Community College.

In late 2009 and early 2010, the County applied for an allocation of Qualified School Construction Bonds (QSCBs), available through the American Recovery and Reinvestment Act of 2009. The County received a total allocation of \$21,508,553 to be used towards a new Newton-Conover Middle School (\$16,508,553) and additions to the existing Arndt Middle School (\$5,200,000). Staff was able to issue 2009 and 2010 QSCBs at a 0% rate for fifteen years, and finance the balance of the Newton-Conover Middle School project with traditional financing at a rate of 3.185% over fifteen years. By issuing the QSCBs at 0%, the County realized approximately \$7.5 million in interest savings over the financing term.

In late 2010, Catawba County was notified by the State that additional QSCB dollars were available, so an application was submitted to request those funds. The County was awarded an additional \$6.3 million to be used for a classroom expansion project at Webb Murray Elementary School, which was planned for the next four-year construction cycle beginning in FY 2011-12. Catawba County agreed to advance funds from the next four-year cycle and move forward with bidding the project, in order to take advantage of the QSCB funding and a favorable construction climate.

Bids were received in December 2010 for a total project cost of \$5,776,800 for an addition of eighteen classrooms, a new entrance to the school, expansion of the media center and renovation of existing classrooms. This is \$523,200 less than the QSCB allocation of \$6.3 million, which was the expected budget for the project. Catawba County Schools requested that this balance of QSCB funds, along with funds remaining from completed projects including Snow Creek Elementary, be used to expand the kitchen/cafeteria at St. Stephens High School. The original kitchen/cafeteria has not been expanded since the early 1960s when the original building was built. The project is estimated to cost between \$1.2 million and \$1.6 million and is expected to be bid in late February, at which time Catawba County Schools will request final approval for the project from the County. The Finance Director has been advised that there is a possibility that additional QSCB funds may become available and, should this occur, Board approval will be requested to pursue this funding for this project.

In fiscal year 2009-10, Catawba County was allocated \$3,093,376 in lottery funds for its three school systems (\$2,178,494 to Catawba County Schools, \$847,172 to Hickory Public Schools, \$530,623 to Newton-Conover City Schools). This amount was much higher than expected due to a change in the distribution formula by the State to allocate funds to school systems on an Average Daily Membership basis instead of based on county tax rates. Since inception of the lottery funding, the County has dedicated those funds annually in an amount equivalent to one-cent on the property tax rate, or \$1.5 million, towards repayment of school debt over the four-year construction cycle. This additional lottery funding will be used to complete the County's funding of the project after bids are received.

Chair Barnes opened the public hearing and no one came forward to speak. Chair Barnes closed the public hearing. Mr. Miller noted that in Section 4 of the proposed agreement that the collateral for the loan was not specified – this was due to the fact that it appeared the collateral for the Arndt project was going to be sufficient for this funding but he was still waiting to hear from the bank.

Mr. Lundy asked that Mr. Miller explain the benefits of the Qualified Construction Bonds and Mr. Miller briefly explained that the ultimate result of this funding was a net effective interest rate of 0% which in the past QSCB financing had saved the County \$7.5 million over the financing term. Commissioner Isenhower made a motion to approved the financing and the motion carried unanimously. The following resolution applies:

EXTRACTS FROM MINUTES OF THE BOARD OF COMMISSIONERS

A regular meeting of the Board of Commissioners of the County of Catawba, North Carolina, was duly held on February 21, 2011 at 7:00 p.m. in the Robert E. Hibbitts Meeting Room at the 1924 Courthouse located at 30 North College Avenue in Newton, North Carolina. Chair Kitty W. Barnes presiding.

The following board members were present:

Chair Katherine W. Barnes
Commissioner Barbara G. Beatty
Commissioner Randy Isenhower

The following board members were absent:

Vice-Chair Lynn M. Lail
Commissioner Dan Hunsucker

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The Chair announced that this was the hour and day of the public hearing on a proposed installment financing agreement to be entered into by the County of Catawba, North Carolina (the "*County*") pursuant to Section 160A-20 of the General Statutes of North Carolina in an amount not to exceed \$6,300,000 for the purpose of providing funds, together with any other available funds, to pay the costs of acquiring, constructing, improving, expanding and equipping various public school facilities in the County, including, without limitation, Webb A. Murray Elementary School and St. Stephens High School (collectively, the "*Project*"). The Chair also announced that this was the hour and day of the public hearing on the proposed acquisition by the County of certain property where a portion of the Project is located to be used for purposes pursuant to Section 153A-158.1 and Section 153A-158.2 of the General Statutes of North Carolina.

The Chair acknowledged due publication of a notice of public hearing in a newspaper with general circulation in said County as required by Section 160A-20, Section 153A-158.1 and Section 153A-158.2 of the General Statutes of North Carolina.

The Chairman then announced that the Board of Commissioners would immediately hear anyone who might wish to be heard on the advisability of the proposed Project, financing or property acquisition as described above. The following individual(s) spoke at the public hearing:

No one came forward to speak.

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Commissioner Randy Isenhower moved that the following resolution, copies of which having been made available to the Board of Commissioners, be adopted:

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF CATAWBA, NORTH CAROLINA, APPROVING A CONTRACT AND A DEED OF TRUST AND THE DELIVERY THEREOF AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS

WHEREAS, the County of Catawba, North Carolina (the "*County*") is a validly existing political subdivision of the State of North Carolina, existing as such under and by virtue of the Constitution, statutes and laws of the State of North Carolina (the "*State*");

WHEREAS, the County has the power, pursuant to the General Statutes of North Carolina to (1) purchase real and personal property, (2) enter into installment purchase contracts in order to finance the purchase of real and personal property used, or to be used, for public purposes, and (3)

grant a security interest in some or all of the property purchased to secure repayment of the purchase price;

WHEREAS, the Board hereby determines that it is in the best interest of the County to enter into (a) an installment financing contract (the "*Contract*") under Section 160A-20 (the "*Act*") of the General Statutes of North Carolina in order to pay the capital costs of (1) acquiring, constructing, improving, expanding and equipping various public school facilities in the County, including, without limitation, Webb A. Murray Elementary School and St. Stephens High School (collectively, the "*Projects*") and (b) if so required by the financial institution providing the funds to the County under the Contract, a deed of trust and security agreement (the "*Deed of Trust*") related to the County's fee simple interest in the real property on which one or more of the Projects is or will be located (collectively, the "*Sites*") to provide security for the County's obligations under the Contract;

WHEREAS, if determined to be in the best interests of the County, the County may accomplish the financing of the Projects by entering into an amendment to an existing installment financing contract and deed of trust and security agreement under which the County has previously financed other school facilities (such amendments to also be referred to as the Contract and the Deed of Trust, respectively, for purposes of this Resolution);

WHEREAS, in connection with the financing of the Projects and the granting of the Deed of Trust, it may be necessary for the County to acquire one or more of the Sites from the County Board of Education (as defined below) that owns each such Site;

WHEREAS, the Projects will be operated by the Board of Education of the County (the "*County Board of Education*");

WHEREAS, the County hereby determines that the acquisition of the Projects is essential to the County's proper, efficient and economic operation and to the general health and welfare of its inhabitants; that the Projects will provide an essential use and will permit the County to carry out public functions that it is authorized by law to perform; and that entering into the Contract and Deed of Trust is necessary and expedient for the County by virtue of the findings presented herein;

WHEREAS, the County hereby determines that the Contract allows the County to purchase the Projects and take title thereto at a favorable interest rate currently available in the financial marketplace and upon terms advantageous to the County;

WHEREAS, the County hereby determines that the estimated cost of financing the acquisition of the Projects is an amount not to exceed \$6,300,000 and that such cost of the acquisition of the Projects exceeds the amount that can be prudently raised from currently available appropriations, unappropriated fund balances and non-voted bonds that could be issued by the County in the current fiscal year pursuant to Article V, Section 4 of the Constitution of the State;

WHEREAS, although the cost of financing the acquisition of the Projects pursuant to the Contract is expected to be the same as the cost of financing the acquisition of the Projects pursuant to a bond financing for the same undertaking, the County hereby determines that financing the Projects pursuant to the Contract and Deed of Trust and the obligations of the County thereunder are preferable to a general obligation bond financing or revenue bond financing for several reasons, including but not limited to the following: (1) the cost of a special election necessary to approve a general obligation bond financing, as required by the laws of the State, would result in the expenditure of significant funds; (2) the time required for a general obligation bond election would cause an unnecessary delay which would thereby decrease the financial benefits of acquiring the Projects; and (3) no revenues are produced by the Projects so as to permit a revenue bond financing;

WHEREAS, the County has determined and hereby determines that the estimated cost of financing the Projects pursuant to the Contract reasonably compares with an estimate of similar costs under a bond financing for the same undertaking as a result of the findings delineated in the above preambles;

WHEREAS, the County does not anticipate a future property tax increase solely to pay installment payments falling due under the Contract;

WHEREAS, Parker Poe Adams & Bernstein LLP, as special counsel ("*Special Counsel*"), will render an opinion to the effect that entering into the Contract and the transactions contemplated thereby are authorized by law;

WHEREAS, no deficiency judgment may be rendered against the County in any action for its breach of the Contract, and the taxing power of the County is not and may not be pledged in any way directly or indirectly or contingently to secure any moneys due under the Contract;

WHEREAS, the County is not in default under any of its debt service obligations;

WHEREAS, the County's budget process and Annual Budget Ordinance are in compliance with the Local Government Budget and Fiscal Control Act, and external auditors have determined that the County has conformed with generally accepted accounting principles as applied to governmental units in preparing its Annual Budget ordinance;

WHEREAS, past audit reports of the County indicate that its debt management and contract obligation payment policies have been carried out in strict compliance with the law, and the County has not been censured by the North Carolina Local Government Commission (the "*LGC*"), external auditors or any other regulatory agencies in connection with such debt management and contract obligation payment policies;

WHEREAS, a public hearing on the Contract has been properly noticed and the Board conducted a public hearing with respect to the Projects on February 21, 2011 to receive public comments on the proposed financing, the Contract and the Deed of Trust, and the County has filed an application with the LGC for approval of the LGC with respect to the County entering into the Contract;

WHEREAS, approval of the LGC with respect to entering the Contract must be received; and

WHEREAS, the Contract and the Deed of Trust (collectively, the "*Instruments*") will either be amendments to existing instruments providing for another advance of funds to finance the Projects or will be in substantially the same form as installment financing contracts and deeds of trust that the County has previously entered into to finance improvements to school facilities and will be appropriate instruments for the purposes intended;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF CATAWBA, NORTH CAROLINA, AS FOLLOWS:

*Section 1. **Ratification of Prior Actions.*** All actions of the County, the County Manager, the Finance Director of the County and the Clerk to the Board and their respective designees in effectuating the proposed financings are hereby approved, ratified and authorized pursuant to and in accordance with the transactions contemplated by the Instruments.

*Section 2. **Application to LGC.*** To the extent not already completed by the Finance Director and so ratified in Section 1 above, the Finance Director or his designee is hereby directed to file with the LGC an application for its approval of the Contract and all relevant transactions contemplated thereby on a form prescribed by the LGC and to state in such application such facts and to attach thereto such exhibits regarding the County and its financial condition as may be required by the LGC.

*Section 3. **Authorization to Negotiate, Execute and Deliver the Instruments.*** The County Manager and the Finance Director, with advice from the County Attorney and Special Counsel, are hereby authorized and directed to solicit and negotiate on behalf of the County for the financing of the Projects for a principal amount not to exceed \$6,300,000 under the Contract to be entered into in accordance with the provisions of the Act and to provide in connection with the Contract, as security

for the County's obligations thereunder, the Deed of Trust conveying a lien and interest in one or more of the Sites, including the improvements thereon, as may be required by the entity or entities, or their respective assigns, providing the funds to the County under the Contract. The County Manager and the Finance Director may solicit and negotiate the Instruments with a financial institution that has previously provided funds to the County as amendments to existing instruments providing for another advance of funds under such instruments to finance the Projects or with another financial institution for an installment financing contract and deed of trust in such forms that are substantially similar in all material aspects to instruments previously executed and delivered by the County in similar financings, but with such changes, modifications, additions or deletions as they may deem necessary, desirable or appropriate.

The County hereby approves the financing of the Projects in accordance with the terms of the Instruments, which will be a valid, legal and binding obligation of the County enforceable in accordance with their terms. The Instruments are in all respects authorized and approved, and the Chairman, the County Manager, the Finance Director of the County and the Clerk to the Board or their respective designees are each authorized, empowered and directed to execute and deliver the Instruments for and on behalf of the County, including necessary counterparts, in substantially the form as set forth above. The execution of each Instrument by the Chairman, the Clerk to the Board, the County Manager, the Finance Director or their respective designees shall constitute conclusive evidence of the County's approval of any and all such deviations in such Instrument from the form and content of similar agreements previously executed and delivered by the County, and that from and after the execution and delivery of the Instruments, the Chairman, the County Manager, the Finance Director of the County and the Clerk to the Board or their respective designees are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Instruments as executed.

Section 4. ***Authorization to Negotiate, Execute and Deliver Agreements Relating to Projects and Sites.*** The County Manager and the Finance Director, with advice from the County Attorney and Special Counsel, are hereby authorized and directed to negotiate with the County Board of Education (1) the conveyance to the County, if necessary, of the Sites to be encumbered by the lien of the Deed of Trust and (2) such construction and acquisition agreements and lease agreements as may be required by the entity or entities, or their respective assigns, providing the funds to the County under the Contract to finance the Projects (collectively, the "*Agreements*"). The Chairman, the Clerk to the Board, the County Manager, the Finance Director and their respective designees are each hereby authorized, empowered and directed to execute and deliver such Agreements, including necessary counterparts, in substantially the same form and content as similar agreements previously executed and delivered by the County in similar financings, but with such changes, modifications, additions or deletions as they may deem necessary, desirable or appropriate. The execution of each Agreement by the Chairman, the Clerk to the Board, the County Manager, the Finance Director or their respective designees shall constitute conclusive evidence of the County's approval of any and all such deviations in such Agreement from the form and content of similar agreements previously executed and delivered by the County, and from and after the execution and delivery of each Agreement, the Chairman, the Clerk to the Board, the County Manager and the Finance Director of the County are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of such Agreement as executed.

Section 5. ***Authorization to Pursue Additional QSCB Allocation for Projects.*** The County intends to finance the Projects under the Qualified School Construction Bond (QSCB) program and has received a QSCB allocation of \$6,300,000 from the Department of Public Instruction for the Projects. The County Manager and the Finance Director are hereby authorized to pursue additional QSCB allocation from the Department of Public Instruction for the Projects above the \$6,300,000 already allocated. If the County receives additional QSCB allocation for the Projects, the County Manager and the Finance Director are authorized to amend the LGC application and request LGC approval for such higher amount. If so required by law, the County will hold another public hearing on the Contract reflecting such higher amount.

Section 6. County Representative. That the Chairman, the County Manager and the Finance Director of the County are hereby designated as the County's Representative to act on behalf of the County in connection with the transactions contemplated by the Instruments and the Agreements , and the Chairman, the County Manager and the Finance Director are each authorized to proceed with the acquisition of the Projects in accordance with the Instruments and to seek opinions as a matter of law from the County Attorney, which the County Attorney is authorized to furnish on behalf of the County, and opinions of law from such other attorneys for all documents contemplated hereby as required by law. The County Manager and the Finance Director, with advice from the County Attorney, are hereby authorized and directed to retain the assistance of Parker Poe Adams & Bernstein LLP, as special counsel.

The Chairman, the Clerk, the County Manager and the Finance Director of the County or their respective designees are each hereby authorized, empowered and directed to do any and all other acts and to execute any and all other documents, which they, in their discretion, deem necessary and appropriate to consummate the transactions contemplated by the Instruments and the Agreements or as they deem necessary or appropriate to implement and carry out the intent and purposes of this Resolution.

Section 7. Repealer. All motions, orders, resolutions and parts thereof in conflict herewith are hereby repealed.

Section 8. Effective Date. This Resolution is effective on the date of its adoption.

On motion of Commissioner Randy Isenhower, the foregoing resolution was duly adopted by the following vote:

AYES: 3

NAYS: 0

8. Appointments: None.

9. Consent Agenda:

County Manager Lundy presented the following five items on the consent agenda:

a. A request for the Board to approve the submission of a grant application to fund the Criminal Justice Partnership Program (CJPP). The Criminal Justice Partnership Board is charged with administering a grant from the State for the program. The current year's grant is in the amount of \$122,789. The application for Fiscal Year 2011-12 is for \$123,388. The \$599 increase is due to the State's increasing the County's established funding amount. The CJPP provides an effective bridge, between the criminal justice system and community agencies, for intermediate sanction offenders on supervised probation who are at risk of incarceration. Through detailed needs assessment, appropriate referrals, treatment services for substance abuse and cognitive skills and transportation when needed, the program seeks to combine the influence of community-based legal sanctions and non-incarceration punishments with structured services in the community. By providing treatment services appropriate to the offender's needs, the program seeks to address those issues that maintain criminal lifestyle for offenders. Utilizing the State's accepted offender management model, the program seeks to provide those services that will decrease criminal involvement and increase productive, socially acceptable behaviors. This grant will provide funds to serve approximately 75 people.

Since July 1, 2010, 32 participants successfully completed the program, were diverted from jail and have increased their odds against recidivism. Other participants are continuing in the program, while twelve have been incarcerated. The program's successful completion rate is 70%, which far

exceeds the statewide average rate of approximately 50%. The average daily cost of a participant in this program is \$15, while the approximate cost of local incarceration is \$75 per day and the cost of incarceration with the North Carolina Department of Corrections is over \$80 per day. On February 4, 2011, the CJPP Board approved the grant application as prepared by Mental Health Partners.

b. A request for the Board to authorize the sole source exemption for the purchase of four LIFEPAK 15 Monitor/Defibrillators and accessories for Emergency Medical Services for \$120,000. The North Carolina Office of Emergency Medical Services requires that all EMT-Paramedic level ambulances have the capability to transmit data to receiving hospitals. Both Frye Regional Medical Center and Catawba Valley Medical Center use Physio-Control (LIFEPAK®) cardiac monitors and defibrillators and have the capability to receive transmissions from these devices. Their receiving stations will not receive data from other defibrillator/monitor manufacturers.

Catawba County currently owns 43 Physio-Control cardiac monitors and/or defibrillators. This means that all the accessories are the same brand and, by purchasing the additional Physio-Control LIFEPAK 15s, the County will not have to maintain two sets of accessories (batteries, battery chargers, therapy cables, monitoring cables, defibrillator pads, paper, CO² probes, blood pressure tubes, cuffs, etc.). Catawba County EMS has used Physio-Control LIFEPAK® cardiac monitors and defibrillators for over twenty years and experienced excellent service. Physio-Control, a division of Medtronic, Inc., is the only source from which the County may purchase LIFEPAK® monitor/defibrillators.

North Carolina General Statute 143-129 allows an exception from formal bidding for purchase contracts when performance or price competition for a product are not available; when a needed product is available from only one source of supply; or when standardization or compatibility is the overriding consideration. This exception requires the Board's approval and a record must be maintained of purchases made. Funds for this purchase are included in this year's budget.

c. A request for the Board to appropriate existing fund balance of the St. Stephens Fire Department (FD) in the amount of \$150,000. The funds will be used towards the cost of a new station the St. Stephens Fire Department is building. The total cost of the new station is \$1,831,755. Historically, each department has its own fund balance which is carried from year to year unless the department makes a request to appropriate it. The fund balance is created through tax revenue collections exceeding the projections established by the Budget Department prior to the fiscal year. Fire departments have been allowed to utilize 90% of existing fund balance to address major projects such as buildings, building additions, truck replacement and other non-operating budget needs such as equipment items. Ten percent of each department's fund balance is held for unforeseen expenditures during the budget year.

St. Stephens FD has been planning to expand its Station 2 for a number of years because of the department's need for additional office, personnel and vehicle space. In August 2008, St. Stephens FD began providing medical first response and rescue services in its response area, which resulted in increased staffing levels. Since that time, St. Stephens has responded to 1,233 medical and rescue calls with an average response time of 5:37. Prior to St. Stephens providing these services, the average response time in this area was in excess of six minutes. This increased call volume and staffing, coupled with an increase in the number of volunteers associated with the department, further complicated the need for additional space. The expansion will provide additional bay space, office space and a much needed area for training sessions and meetings. Currently, those types of events are conducted in a common area that does not provide adequate space or privacy from noise and distraction. In Fiscal Year 2009-2010, St. Stephens FD requested that \$150,000 be held for capital expenditures during Fiscal Year 2010-2011 to be used for their new station project. Those funds were held by the County for that purpose. However, at the end of Fiscal Year 2009-2010, the \$150,000 was not maintained in a Capital account, but rather fell to fund balance and was not appropriated in the current year budget. Since St. Stephens FD originally planned to utilize these funds during this fiscal year, they requested the \$150,000 be appropriated.

d. A request for the Board to adopt, on second reading, an amendment to Section 28-201 of the County Personnel Code to move detailed language regarding the Family and Medical Leave Act from the Personnel Code to an administrative policy. North Carolina General Statutes require that all Board members be present to vote on an amendment that does not require a public hearing and, because all commissioners were not present at the Board's February 7, 2011, meeting, a second reading of the proposed amendment was required. The Family and Medical Leave Act of 1993 (FMLA) was enacted for the purpose of allowing employees to balance family life and work by letting them take up to twelve work weeks of unpaid leave for certain family events and medical reasons. The Act was amended in 2008 and 2010 to expand the definition of who qualifies for this leave and the particular events that are covered by the Act. In addition, the federal regulations that interpret the Act and its amendments continually provide new interpretations with which the County must comply. The County's FMLA policy was located in the County's Personnel Code and, therefore, each time the Act was amended or a regulation is changed, a code amendment had to be presented to the Board of Commissioners. In order to more efficiently keep FMLA policy updated, Human Resources recommended that the detailed FMLA language be removed from the Personnel Code and placed in an administrative policy that may be quickly updated as needed. The detailed language in the Personnel Code will be replaced with language that acknowledges the County's intent to comply with FMLA and any relevant and applicable amendments and regulations. The following ordinance and policy apply:

ORDINANCE 2011-

BE IT ORDAINED that the Catawba County Code of Ordinances, Chapter 28 - Personnel, Article VI - Employee Benefits and Services, Section 28-201 – Family and Medical Leave Act is hereby amended to read as follows:

Sec. 28-201. Family and Medical Leave Act.

- (a) Catawba County is sensitive to the needs of employees in balancing the demands of work, personal and family health and the needs of service men and women. As such, it is the policy of the county to comply with the relevant and applicable provisions of the Family and Medical Leave Act (FMLA), as amended.
- (b) Requests for FMLA leave should be submitted to the Catawba County Human Resources department. For policy guidelines, refer to the County's Intranet or contact the Human Resources department.

This the 21st day of February, 2011.

**Family and Medical Leave Policy
Effective February 21, 2011**

Catawba County is sensitive to the needs of employees in balancing the demands of work, personal and family health and the needs of service men and women. The purpose of this policy is to ensure family and military leave is provided in compliance with the federal Family and Medical Leave Act of 1993 (FMLA) as amended by the National Defense Authorization Act of 2008 and 2010. Under FMLA, an employee may be eligible for a period of job-protected unpaid leave if the employee meets the criteria set forth in the FMLA. This Policy provides an overview of the statutory criteria as well as the County's own policies regarding FMLA Leave.

General Eligibility

Employees are eligible for FMLA leave if they have worked for the County for at least twelve months and have worked at least 1,250 hours for the County during the twelve calendar months immediately preceding the request for leave. Employees returning from military duty, and who qualify for USERRA benefits and protections, are considered as working for the County during their service and such time may be counted as employment toward the twelve-month test.

The twelve months of service need not be consecutive. Employment before a break in service of seven years or more will not be counted, unless the break in service was caused by the employee's active duty with the National Guard or reserve, or there was a written agreement that the employer intended to rehire the employee after the break in service.

Types of FMLA Leave

Employees are entitled to take FMLA leave for the following reasons:

- a. To care for the employee's child after birth or placement for adoption or foster care, within 12 months of the birth or placement;
- b. To care for the employee's child (under age 18), spouse, or parent with a "serious health condition."
- c. When the employee is unable to perform any one of the essential functions of the job due to a "serious health condition."
- d. Due to "any qualifying exigency" arising out of the fact that the employee's spouse, parent or child is on active military duty or has been notified of an impending call to active duty status in support of a contingency operation.
- e. To care for the employee's spouse, parent or child who is a covered service member and is recovering from a serious illness or injury sustained in the line of duty.

FMLA Entitlement

Under the FMLA, eligible employees are entitled to up to 12 workweeks of job protected unpaid leave, except that 26 weeks of leave in a single 12-month period is allowed to care for an employee's covered service member, as stated in item "e" above. This policy gives eligible employees the option of using accrued paid leave, as appropriate, as well as unpaid leave, against the FMLA leave entitlement. Any use of leave as FMLA-designated leave, paid or unpaid, within the applicable 12-month period shall be deducted from the employee's FMLA leave entitlement.

The method used in determining the 12-month period in which the employee is entitled to this leave is the "rolling year" measured backward from the date an employee uses any FMLA leave. Under this method, each time an employee takes FMLA leave, the remaining leave entitlement would be any balance of the 12 weeks that has not been used during the immediately preceding 12 months.

FMLA leave taken to care for a covered service member must be taken in a "*single twelve-month period*". The single twelve-month period begins on the first day the eligible employee takes leave to care for a covered service member and ends twelve months after that date. If the employee does not use all 26 weeks of leave, the remaining leave is forfeited for that qualifying event. Such leave is available on a per-covered-service member, per-injury basis such that the employee may be entitled to more than one period of 26 workweeks of leave. If such leave overlaps with other caregiver leave or other FMLA leave, the employee is limited to no more than 26 workweeks of leave in each single twelve-month period. The single twelve-month period for military caregiver leave is independent of the rolling twelve months of leave that determines entitlement for other types of FMLA leave. The maximum FMLA leave for all qualifying purposes cannot exceed 26 weeks in the single twelve-month period.

Sick leave taken on an FMLA basis must be for the employee's own disability due to a serious health condition or to care for the employee's spouse, child or parent who has a serious health condition. Accrued paid leave or unpaid leave may be used for any of the "qualifying reasons" listed above. Any Workers' Compensation-related leave designated as FMLA leave within the applicable 12-month period shall be deducted from the FMLA leave entitlement.

In cases where a married couple is employed by the County, the total leave entitlement for birth of a child, placement of a child for adoption or foster care, or to care for a parent with a serious health condition is a *combined total* of twelve weeks in the twelve-month period. For example, for the birth of a child, one employee may take eight weeks and the spouse takes four weeks, but the total for both the husband and wife cannot exceed twelve weeks. All such leave counts toward the maximum twelve-week entitlement for all FMLA leave.

In cases where a married couple is employed by the County, a husband and wife will be eligible for a combined 26 weeks of unpaid leave during a single 12-month period to care for an employee's spouse, parent or child who is a covered service member and is recovering from a serious illness or injury sustained in the line of.

Definitions

The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them in this subsection, except where the content clearly indicates a different meaning.

a. **Child** is defined as a biological, adopted, or foster child, a stepchild, a legal ward or child for whom the employee is "in loco parentis," who is under eighteen (18) years of age, or if eighteen (18) years of age or older is incapable of self-care because of mental or physical disability. Son or daughter as provided for in the military exigency leave and military caregiver leave includes adult children over 18.

b. **Parent** is defined as the biological parent of an employee, or an individual who stood "in loco parentis" to an employee when the employee was a son or daughter. The term does not include parents "in law."

c. **Parent of a covered service member** is a covered service member's biological, adoptive, step or foster father or mother, or any other individual who stood in loco parentis to the covered service member but does not include parents "in law."

d. **Spouse** is defined as husband or wife as defined by the state, including common law marriage if recognized by the state.

e. **Serious health condition** means an illness, injury, impairment, or physical or mental condition, including those resulting from a workplace illness or injury subject to workers' compensation, which involves:

(1) Inpatient care (an overnight stay in a hospital, hospice, or residential medical care facility) including any period of incapacity or subsequent treatment in connection with such inpatient care. Does not include outpatient status.

(2) Continuing treatment by a health care provider due to incapacity of **more than three** consecutive calendar days and any subsequent treatment or period of incapacity relating to the same condition that:

- i. Requires in-person treatment by a health care provider at least once within seven days of the first day of incapacity; *and*
- ii. Requires either a regimen of continuing treatment initiated by the health care provider during the first treatment (*or*) a second in-person visit to the healthcare provider for treatment within 30 days of the first day of incapacity.

(3) Any period of incapacity due to pregnancy, or prenatal care; or

(4) Any period of incapacity or treatment for such incapacity due to a chronic serious health condition that requires visits for treatment by a health care provider at least twice a year.

(5) A period of incapacity which is permanent or long due to a condition for which treatment may not be effective. The employee or family member must be under the continuing supervision of a health care provider but need not be receiving active treatment by a health care provider.

(6) A period of incapacity includes any leave of absence or time when an employee cannot perform an essential function of the job.

f. **Health care provider** is a doctor of medicine or osteopathy who is authorized and licensed

to practice medicine or surgery by the state. This also includes clinical psychologists, optometrists, chiropractors, nurse practitioners, nurse-midwives, clinical social workers, physician assistants (who are authorized and practicing within state law), and Christian Science Practitioners.

g. **Qualifying exigency leave** is a non-medical leave (an authorized absence) that is available to an employee directly related to the covered family member who is on covered active duty (or has been notified of an impending call or order to covered active duty) in the Armed Forces. For a member of a regular component of the Armed Forces, covered active duty means duty during the deployment of the member with the Armed Forces to a foreign country; and in the case of a member of the reserve component of the Armed Forces, covered active duty means duty during the deployment of the member with the Armed Forces to a foreign country under a call or order to active duty. Qualifying exigencies may include:

- (1) Short-notice deployment (up to 7 days of leave)
- (2) Attending certain military events
- (3) Arranging for alternative childcare
- (4) Addressing certain financial and legal arrangements
- (5) Periods of rest and recuperation for the service member (up to 5 days of leave)
- (6) Attending certain counseling sessions
- (7) Attending post-deployment activities (available for up to 90 days after the termination of the covered service member's covered active duty status)
- (8) Other activities arising out of the service member's covered active duty or call to active duty and agreed upon by the County and the employee

h. **Covered family member** means the employee's spouse, son, daughter or parent. Son or daughter means the biological, adopted or foster child, stepchild, legal ward or a child for whom the employee stood in loco parentis, who is on active duty or call to active duty and who is of any age. "Next-of-kin" is defined as the closest blood relative of the injured or recovering service member when no other family member is available to care for the service member.

i. **Covered service member means:**

- (1) a member of the Armed Forces (including a member of the National Guard or Reserves) who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability-retired list, for a serious injury or illness;
- (2) a veteran who is undergoing medical treatment, recuperation, or therapy, for a serious injury or illness and who was a member of the Armed Forces (including a member of the National Guard or Reserves) at any time during the period of five years preceding the date on which the veteran undergoes that medical treatment, recuperation, or therapy.

j. **Serious Injury or illness means:**

- (1) For a member of the Armed Forces (including a member of the National Guard or Reserves), an injury or illness that was incurred by the member in the line of duty on active duty in the Armed Forces (or that existed before the beginning of the member's active duty and was aggravated by service in line of duty on active duty in the Armed Forces) and that may render the member medically unfit to perform the duties of the member's office, grade, rank, or rating;
- (2) For a veteran who was a member of the Armed Forces (including a member of the National Guard or Reserves) an injury or illness that was incurred by the member in line of duty on active duty in the Armed Forces (or that existed before the beginning of the member's active duty and was aggravated by service in line of duty on active duty in the Armed Forces) and that manifested itself before or after the member became a veteran.

Use of Leave

FMLA leave is generally taken in one block in whole week or more increments. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. The County may require the employee to furnish certification that intermittent or reduced schedule leave is medically necessary. Such certification must identify the specific need. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the employer's operations. Military Family Leave due to qualifying exigencies may also be taken on an intermittent

basis. Leave may not be taken on an intermittent basis when used to care for the employee's own child during the first year following birth, or to care for a child placed with the employee for foster care or adoption, unless both the employer and employee agree to such intermittent leave.

Intermittent and Reduced Schedule FMLA Leave

FMLA leave does not have to be taken as a continuous 12-week leave. An employee may request intermittent time off or a reduced work schedule in cases of a serious health condition of the employee

or immediate family member, when medically necessary. Leave for the birth, adoption or foster care of a child does not qualify for an intermittent or reduced schedule leave unless the supervisor and employee agree otherwise.

Intermittent leave is taken in separate blocks of time because of a single illness or injury and may include leave for periods from an hour or more to several weeks. Examples of intermittent leave include leave taken on an occasional basis for medical appointments or leave taken several days at a time spread over a period of months, such as for chemotherapy. A reduced work schedule leave is a leave schedule that reduces an employee's usual number of hours per work week or work day, generally from full-time to part-time. In those situations where intermittent leave or a reduced work schedule leave is approved, the hours missed from the employee's usual workweek will be charged against the FMLA 12-week entitlement on a pro rata basis.

Intermittent Leave Example: If an employee who normally works five days a week takes off one day, the employee would have used 1/5 of a week of FMLA leave.

Reduced work schedule leave example: An employee who works half-days on a reduced schedule will have used 1/2 of a FMLA leave week; an employee who normally works 30 hours/week, but works a reduced schedule of 20 hours/week will have used 1/3 of a FMLA week.

After consultation with the Human Resources Department, a department head may temporarily reassign an employee on an intermittent or reduced work schedule leave to an alternative position which better accommodates the recurring periods of leave.

A reduced work schedule which does not make use of any paid leave to make up the difference between the regular schedule and the temporary reduced work schedule may result in a pro rata reduction in the employee's paid leave accrual and benefits.

Exempt employees who use unpaid FMLA leave on an intermittent or reduced work schedule basis will have their salary reduced according to the hours of leave without pay used, without compromising their exempt status under the Fair Labor Standards Act.

Requesting Leave – Employee Responsibility

Employees are responsible for properly requesting and using FMLA leave as follows:

- a. Inform supervisor as soon as practicable of intent to use FMLA leave and discuss plans to assure department operations are not unduly disrupted, if possible.
- b. Notify Human Resources of the intent to use FMLA leave and provide information about the reasons for leave which is sufficient for a determination of whether the leave would qualify as a deduction against the leave entitlement under the FMLA. Employees must also inform Human Resources if the requested leave is for a reason for which FMLA leave was previously taken or certified.
- c. Provide the appropriate medical certification (or legal certification of adoption or foster child placement) as soon as practicable before taking the leave but no longer than 15 days after receipt of FMLA leave information packet.
- d. Continue to timely pay premiums on optional benefits programs, if applicable.
- e. Comply with the County's reporting and call-in policies.
- f. Provide periodic reports to Human Resource, as instructed, regarding intent to return to work.
- g. Provide reasonable notice of a need to extend FMLA leave beyond the planned conclusion of such leave.

- h. Provide a fitness for duty certification prior to return to work, including limitations, if any, as required.

Leave Request Notice: It is expected that requests for leave are made at least 30 days in advance of the leave; however, it is understood there will be some cases in which the request cannot be made in advance. Whether proper notice has been given will be decided on a case-by-case basis, following notice requirements prescribed in the FMLA. If the employee fails to give proper notice and has no reasonable excuse, the County may delay the leave. If the employee fails to provide notice that the leave was for FMLA reasons and to present medical certification to that effect within the prescribed time period, the employee may not be entitled to the protections of the FMLA and may be subject to disciplinary actions.

Requesting Leave – County Responsibility

It is the County's responsibility to designate leave as FMLA leave. This obligation supersedes an employee's desire not to use his or her FMLA entitlement. The key to designating FMLA leave is the qualifying reason(s), not the employee's decision or reluctance to use FMLA leave. The designation must be based on information obtained from the employee or an employee's representative. FMLA leave

designation is a responsibility shared between the employee's department and the Human Resources Department.

The supervisor/department head has responsibility for the following:

- a. Receive notice of employee's intent to use FMLA leave, or;
- b. Absent notice of intent, when an employee is on paid leave, after a period of five workdays, require the employee to provide sufficient information to establish whether the leave is for a FMLA-qualifying reason (unless the absence is known to be for a non-FMLA qualifying reason, e.g., vacation). The HIPAA, ADA and other privacy rules do not apply to direct communication between the employer and the employee about the employee's condition or need for FMLA leave. However, the supervisor must not discuss or disclose such information to others except to report the absence to the Human Resources department. If the employee is requesting the need to be absent due to a health reason, the supervisor must question the employee and obtain enough information to determine if the condition may be a "serious health condition."
- c. Upon receipt of employee's notice, consult immediately with the Human Resources Department about the application of the FMLA to the circumstances presented. Supervisors who fail to immediately report potential FMLA events will be subject to disciplinary action. It is the responsibility of the supervisor to ensure qualifying leave is designated as family and medical leave even when an employee would rather not use any of his or her FMLA leave entitlement.
- d. Clearly communicate to the employee what the department's expectations for the employee's continuing contact or notice regarding return to work.
- e. Keep the Human Resources Department informed of any developments.
- f. Design intermittent or reduced work schedules if requested by the employee and if feasible.
- g. Work with the employee upon reinstatement to facilitate a smooth transition back into the work environment.
- h. Ensure that FMLA notice provided by the Human Resources department is kept conspicuously posted where it can be seen by employees and job applicants.

The Human Resources Department has responsibility for the following:

- a. Receive notice of intent or leave request, medical certification and supporting documentation.
- b. Absent notice of intent, review time and attendance reports to identify potential FMLA situations and make contact with department representative for follow-up.
- c. Designate leave as FMLA leave once it is confirmed that the leave is being taken for qualifying FMLA reason and give written notice of designation to employee in accordance with the FMLA deadlines for such notice. If the employee is not eligible for FMLA leave, Human Resources will provide the employee with a written notice indicating the reason for ineligibility.

- d. Notify, or ensure supervisor/department director notifies, employee of specific rights, including those relating to the continuation of benefits and reinstatement, as well as employee obligations and the consequences of a failure to meet these obligations.
- e. Advise supervisor/department director on the application of the FMLA regulations to the employee's situation.
- a. Maintain records of FMLA usage and remaining entitlement.
- f. Assist supervisor/department director on arrangements for intermittent or reduced schedule, when required.
- g. Maintain in various locations throughout the County organization posting about the FMLA.
- h. Maintain all records related to the employee's leave under FMLA (keeping all medical documentation separate from the employee's personnel file).
- i. Human Resources may retroactively designate as FMLA leave toward the employee's FMLA entitlement any leave taken within the last twelve months that qualified for FMLA if the County learns after the fact that such leave qualified as FMLA leave.

Pay and Benefits During FMLA Leave

Unlike other types of leave provided by the County, FMLA leave and its benefits and job protections are a requirement of the law. Employees do not have the right to refuse FMLA leave or decline the FMLA leave designation for absences lawfully obtained for a qualifying FMLA purpose.

While the Family and Medical Leave Act requires covered employers to provide unpaid job-protected leave, the County requires employees to substitute accrued paid leave for unpaid family/medical leave. Types of leave that may be taken include straight time comp time, FLSA compensatory time, annual leave, sick leave, or some combination thereof, and in accordance with the applicable sections of this chapter. Unpaid leave will be granted only when the employee has exhausted all other types of paid leave. The substitution of paid leave time for unpaid leave time does not extend the twelve-week leave period. Furthermore, in no case can the substitution of paid leave time for unpaid leave time result in the receipt of more than 100 percent of an employee's salary.

Workers' compensation leave, short-term disability leave and long-term disability leaves are considered paid leaves, rather than unpaid leaves. Because these are paid forms of leave, neither the County nor the employee may unilaterally insist on the use of accrued paid leave (straight time comp time, FLSA compensatory time, annual leave or sick leave) to supplement the workers' comp or disability income replacement benefits when leave runs concurrently with FMLA leave. The County and employee may, however, mutually agree to use paid accrued leave to supplement the benefits during FMLA leave. Workers' compensation leave taken by an employee that also qualifies as FMLA leave will be counted toward the employee's FMLA entitlement. The short-term disability plan may offer additional protection to the employee beyond the FMLA entitlement.

Medical benefits are protected as follows:

- a. The County shall maintain coverage for the employee under the County's group health plan for the duration of FMLA leave as provided to the employee prior to the granting of FMLA leave.
- b. Employees using paid FMLA leave will continue to have their portion of the insurance premiums payroll-deducted. Employees using unpaid FMLA leave are responsible for payment of the employee portion of applicable insurance premiums under the same conditions which apply to employees in other types of leave without pay. The employee will receive written notice of the terms of the payment of premiums during FMLA leave and a schedule of payment due dates. The obligation to maintain optional insurance coverages stops if an employee's premium payment is more than 30 days late. The County will provide 15 days notice that coverage will cease. If the employee's failure to make the premium payments leads to lapse in coverage, the employee shall be restored to equivalent health coverage upon return to work as if the premium payments had not been missed without any waiting period or preexisting conditions.
- c. The County reserves the right to recover the cost of health insurance provided to the employee while on FMLA leave should the employee fail to return to work, unless the employee is unable to return to work due to complications arising from his/her serious health condition.

Return to Work

Upon return from FMLA leave, eligible employees must be restored to their original or equivalent positions with equivalent pay, grade, benefits, and other employment terms. The County may require the employee to report at reasonable intervals on the employee's status and intention to return to work. The employee will be required to provide certification to the Human Resources department that he or she is able to return to work prior to returning to work. The cost of the certification is borne by the employee. The return to work certification must specifically clear the employee to perform all the essential functions of the position without undue risk of injury to the employee or others. A mere statement that the employee "may return to work", "may return to duties" or similar general statement is not complete and sufficient. The employee will be provided a position description or a list of essential functions for the health care provider to consider in their evaluation.

If there are reductions in force while the employee is on FMLA leave, and the employee would have lost his/her position if not on leave, there is no obligation to restore the employee to his/her former or equivalent position.

Light Duty

The FMLA prohibits an employer from requiring an employee to take a light-duty assignment in lieu of FMLA leave. Therefore, if the treating physician certifies the employee is able to return to a light-duty job, the employee has the right to remain out of work on FMLA leave for the remaining portion of the employee's FMLA leave period. If the treating physician certifies the employee is able to return to a light-duty job, the employee may be subject to the terms of the short-term disability plan governing return to work.

When an employee declines a light-duty position, the employee may lose workers' compensation benefits under applicable state law, but is entitled to remain on FMLA leave and is required to exhaust accrued paid leave before a period of leave without pay may commence. If the employee is unable to perform the essential functions of the original position with reasonable accommodation at the end of the twelve-week period, the employee loses the right to be restored to that original position.

If the employee voluntarily accepts light duty, the time the employee is on light duty is not considered FMLA leave, and the employee's right to job restoration is held in abeyance during the light duty period.

Medical Certification

An employee requesting leave because of the employee's own or a covered relation's serious health condition must provide must supply appropriate medical certification. Employees may obtain medical certification forms from the Human Resources department. When the employee requests leave, the County will notify the employee of the requirement for medical certification and when it is due (no more than 15 days after the employee requests leave). If the employee provides at least 30 days notice of medical leave, he or she should also provide the medical certification before leave begins.

If an employee submits an incomplete or insufficient certification, the County must advise the employee in writing what additional information must be provided. The employee has seven calendar days in which to provide the required information. FMLA leave may be denied to any employee requesting leave who fails to return a medical certification or who fails to return a complete and sufficient certification after being given seven days to submit the medical certification.

The County, at its expense, may require an examination by a second healthcare provider designated by the County, if it reasonably doubts the medical certification initially provided. If the second healthcare provider's opinion conflicts with the original medical certification, the County, at its expense, may require a third, mutually agreeable, healthcare provider to conduct an examination and provide a final and binding opinion.

The County may require subsequent medical recertification. Failure to provide requested certification within 15 days, except in extraordinary circumstances, may result in the delay of further leave until it is provided. Employees may also be required to provide a fitness-for-duty certification upon return to work, or during intermittent leave, as required.

Exemption for Highly Compensated Employees

Highly compensated employees (i.e., highest-paid 10 percent of employees at a worksite or within a 75-mile radius of that worksite) may not be returned to their former or equivalent position following a leave if restoration of employment will cause substantial economic injury to the County. This fact-specific determination will be made by the County on a case-by-case basis. The County will notify employees if they qualify as a "highly compensated" employee if the County intends to deny reinstatement, and of employees' rights in such instances.

Other Employment Restrictions

No employee on an FMLA leave of absence may be employed in any capacity during the leave. Violation of this policy may subject the employee to discipline, up to and including dismissal, and/or termination of leave rights.

e. A request for the Board to approve a tax refund request in the amount of \$7,383. Records have been checked and the refund verified; therefore, the Tax Collector is asking for approval of the refund request. Under North Carolina General Statute 105-381, a taxpayer who has paid taxes may request a refund in writing for an amount paid through error.

Chair Barnes asked if any Commissioner desired to have an item broken out of the consent agenda for individual consideration. None was requested. Commissioner Beatty made a motion to approve the consent agenda. The motion carried unanimously.

10. Departmental Reports:

Tax:

Tax Collector Ona Scruggs came forward to present a report on delinquent 2010 real estate property taxes, in accordance with North Carolina General Statutes 105-369(a), and request the Board adopt a resolution directing the Catawba County Tax Collector to advertise the delinquent tax liens as prescribed in the Statute. As of January 31, 2011, delinquent real property taxes in Catawba County totaled \$5,711,671, which represents 7.2% of the 2010 real property levy. Ms. Scruggs noted that as of February 18, 2011, the delinquent real property taxes were \$4.8 million. Commissioner Isenhower asked how this compared to last year and Ms. Scruggs stated at the same time last year, delinquent taxes were \$4.9 million. Commissioner Isenhower made a motion to accept the report on delinquent 2010 real estate property taxes and to adopt the resolution directing the Tax Collector to advertise the delinquent tax liens. The motion carried unanimously. The following resolution applies:

RESOLUTION No. 2011-

BE IT RESOLVED, the Board of Commissioners for Catawba County, in compliance with NCGS 105-369(a), orders the Tax Collector to advertise all unpaid tax liens, as prescribed in NCGS 105-369.

This the 21st day of February, 2011.

11. Other Items of Business: None.

12. Attorney's Report: None.

13. Manager's Report.

County Manager Lundy requested the Board consider moving into closed session to conduct his evaluation. This request was pursuant to North Carolina General Statute (NCGS) 143-318.11(a)(6) to consider the qualification, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee. Mr. Lundy stated he did not anticipate any action upon return to open session. Commissioner Beatty made a motion to move into closed session pursuant to NCGS153-318.11(a)(6). The motion carried unanimously. The Board moved into closed session at 7:16 p.m. The Board returned to open session. No other action was taken.

14. Adjournment: Commissioner Beatty made a motion to adjourn. The motion carried unanimously. The meeting adjourned at 9:05 p.m.

Katherine W. Barnes, Chair
Catawba County Board of Commissioners

Barbara E. Morris
County Clerk